

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
BOARD OF ADMINISTRATION**

INVESTMENT COMMITTEE

December 17, 2007

8:30 a.m.

Lincoln Plaza North
400 Q Street
Auditorium
Sacramento, CA

COMMITTEE MEMBERS

Charles Valdes, Chair
George Diehr, Vice Chair
Marjorie Berte
Robert F. Carlson
John Chiang
Rob Feckner
David Gilb
Bill Lockyer
Priya Mathur
Tony Oliveira
Mike Quevedo, Jr.
Kurato Shimada
Maeley L. Tom

CLOSED SESSION	8:30 a.m. Chief Investment Officer's Briefing on Market and Personnel Issues (Government Code sections 11126(a)(1) and (c)(16))
OPEN SESSION	9:00 a.m.
CLOSED SESSION	Upon Adjournment or Recess of Open Session (Government Code section 11126(c)(16))

AGENDA

OPEN SESSION

- | | | |
|-------------|-----|---|
| | 1. | Call to Order and Roll Call |
| Action | 2. | Approval of the October 15, 2007 Open Session Minutes |
| Action | 3. | Supplemental Policy Subcommittee Report |
| | a. | Adoption of Policy on Supplemental Income Plans |
| | 4. | Total Fund |
| Information | a. | CalPERS Total Fund Quarterly Report |
| Action | b. | Strategic Asset Allocation Recommendation |
| Action | c. | Adoption of Inflation-Linked Asset Class Delegation Resolution |
| Information | d. | Legislative Report – AB 2941 (Divestment Legislation) |
| Information | 5. | Real Estate |
| Information | 6. | Alternative Investment Management (AIM) Program |
| | 7. | Global Fixed Income |
| Action | a. | Currency Overlay Managers Annual Review |
| Information | b. | External High Yield Manager Request for Proposal |
| | 8. | Global Equity |
| Action | a. | Global Domestic/International Allocation and Benchmark |
| Information | b. | Executive Compensation Strategic Plan Update |
| Information | c. | Corporate Governance Update |
| | 9. | Supplemental Income Plans (SIP) |
| Action | a. | SIP Fund Enhancements and Marketing Strategy |
| Action | b. | SIP Delegations Update |
| | 10. | Chief Investment Officer's/Assistant Executive Officer's Report |
| Information | a. | Consolidated Investment Activity Report |
| Information | b. | Chief Operating Investment Officer's Status Report |
| Information | c. | Consultant Conflict of Interest Protocol Update |
| Information | 11. | Draft Agenda for February 19, 2008 |
| | 12. | Public Comment |

Note: Items designated for information are appropriate for Board/Committee action if the Board/Committee wishes to take action. Any agenda item from a properly noticed Subcommittee meeting held immediately prior to this meeting may be reported on or presented to the Investment Committee for its consideration.

AGENDA

CLOSED SESSION Upon Adjournment or Recess of Open Session
(Government Code section 11126(c)(16))

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|-------------|----|---|
| | 1. | Call to Order and Roll Call |
| Action | 2. | Approval of the November 13, 2007 Closed Session Minutes |
| | 3. | Total Fund |
| Action | a. | Strategic Asset Allocation Implementation |
| | 4. | Real Estate |
| Information | a. | Investment Update |
| Information | b. | Portfolio Sector Update |
| Information | 5. | Alternative Investment Management (AIM) Program |
| | 6. | Global Fixed Income |
| Information | a. | External Manager Update |
| | 7. | Global Equity |
| Information | a. | External Manager Update |
| Information | b. | Executive Compensation Update |
| Information | c. | Corporate Governance Update |
| | 8. | Chief Investment Officer's/Assistant Executive Officer's Report |
| Information | a. | Status of Action Items Not Yet Reported |
| Information | 9. | Activity Reports |
| | a. | Alternative Investment Management Program |
| | b. | Risk Managed Absolute Return Strategies Program |
| | c. | Public Markets |